



RECYCLED SCRAP TIRE GRANT GUIDELINES

RECYCLED-CONTENT PRODUCT PROCUREMENT CIVIL ENGINEERING FIELD REUSE RECREATIONAL FIELD REUSE RESEARCH AND DEVELOPMENT

Thank you for your interest in the Recycled Scrap Tire Grant. The Indiana Department of Environmental Management (IDEM) and the Indiana Department of Commerce (Commerce) is announcing the availability of \$550,000 in funds for a round of grant awards as authorized through IC13-20-13-9. The purpose of this grant funding is to provide new and innovative ways to reuse or recycle scrap tires acquired within the State of Indiana.

These grants are targeted at businesses, local units of governments, schools, and non-profits with 501c3 status located within Indiana that want to explore the reuse or remanufacture of scrap tires. To be considered for funding, an application for funding must be delivered to the Indiana Department of Environmental Management, Office of Pollution Prevention and Technical Assistance.

Before completing an application, please read the grant guidelines thoroughly. These guidelines describe the criteria used to evaluate applications and explain the grant approval process.

Please complete all sections of the Scrap Tire Grant application and return it to the address below. Submission of an application does not guarantee funding. Applications become the property of the State of Indiana and will not be returned.

Indiana Department of Environmental Management
Office of Pollution Prevention and Technical Assistance
150 West Market Street, Suite 703
Indianapolis, IN 46204
(317) 232-8172
1-800-988-7901

Application Deadline: Must be received at IDEM/OPPTA by 5:00 pm EST April 5, 2002
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Eligible Applicants

Applicants must have a primary mailing address within the State of Indiana, and propose a project that will consume or utilize tires generated from within Indiana.

Eligible applicants include:

- Businesses located within Indiana.
- Local units of government, including cities, towns, counties, and solid waste management districts.
- Schools, including elementary schools, middle schools, high schools, colleges, and universities.
- Non-profits, with 501c3 status (documentation required)

Eligible applicants must agree to provide to IDEM progress reports during the term of the grant, a final report at the closure of the grant term, and two annual follow-up reports for the two year period after the term of the grant.

Eligible Expenses and Matching Requirements

Eligible projects for this grant program are limited to:

- **Recycled-Content Product Procurement** that will utilize a reuse or remanufacture of scrap tires or crumb rubber from scrap tires acquired within Indiana.
- **Civil Engineering Field Reuse** of scrap tires acquired within Indiana and utilized in an IDEM approved civil engineering beneficial reuse project.
- **Recreational Field Reuse** of scrap tires acquired within Indiana and utilized in an IDEM approved recreational beneficial reuse project.
- **Research and Development** that will explore the use of scrap tire material in a high value-added product. The state must be provided with the results of the research for an applicable market.

Eligible expenses (grant funded at 50% of actual invoice costs) may include:

- Transportation of material feedstock for a proposed project.
- Procurement of material feedstock for a proposed project.
- Equipment necessary to process scrap tires for a proposed project.
- Initial processing costs of scrap tires, excluding labor costs.
- R&D tests costs from authorized labs or on-site tests. (IDEM pre-approval required)
- Procurement of supplies, materials, and products made from recycled scrap tires.
- Other project start-up costs not excluded below and authorized through IDEM pre-approval.

Applicants are eligible to receive grant funding under the Recycled Scrap Tire Grant program only once.

Ineligible projects and expenses include:

- Civil engineering application not approved by IDEM.
- Playground crumb rubber reuse.
- Projects involving the land application of scrap tires for alternative daily cover at landfills.
- Below water grade reuse application of scrap tires.
- Projects that may involve a new source of air, water, or land environmental negative impact.
- Expenses related to final disposal; including collection, transportation and disposal costs.
- Expenses related to food, beverages, conferences, travel, general overhead and administration, and political lobbying.
- Expenses related to personnel salary or benefits. (Project specific contractor and professional fees may be eligible, and evaluated on a case-by-case basis.)
- Expenses related to a Supplemental Environmental Project (SEP) as part of an agreement with IDEM or the USEPA.

Amount of Funds

Grants are available in any whole-dollar amount from \$5,000 to \$150,000, with the following ranges per grant category:

- Recycled-Content Product Procurement;
minimum request of \$5,000 to maximum request of \$25,000.
- Civil Engineering Field Reuse
minimum request of \$5,000 to maximum request of \$150,000.
- Recreational Field Reuse
minimum request of \$5,000 to maximum request of \$150,000.
- Research and Development
minimum request of \$5,000 to maximum request of \$25,000.

Additional funding considerations:

- Each project will require a cash match commitment of 50% of total cash project costs. For example, a project with \$100,000 eligible costs may apply for up to \$50,000 in state grant funding, matched with \$50,000 in local cash match.
- Matching funds contributed by the grantee cannot be sourced from another State of Indiana grant or loan program.
- Expenditures must be made within the grant term. Expenditures made prior to the grant term or after the expiration date of a grant will not be reimbursed.
- 50% of the state grant award will be advanced to the grantee upon the final execution of a grant agreement. The remaining 50% of the grant funds will be released upon documentation of eligible approved expenditures, providing that all other conditions to the agreement have been met. It is the grantees responsibility to manage a proper cash flow for the project to guarantee the completion of the project.
- Payment of grant funds is based on demonstrated invoiced expenses. IDEM will authorize 50% of grant funds per contract authorized expense line item.
- Term lengths for grant agreements will be 12 months, 18 months, or 24 months.

Financial Commitment

Applicants will be required to submit documentation to demonstrate that they can meet their financial obligation for the project for which funding is requested. For a business, this documentation might include a commitment letter from a board president, an internal fiscal officer, the business's banker, or the business's loan officer at a financial institution. For a local unit of government, school, or non-profit, this documentation can be a letter of commitment from a governing body, a board of directors, or a board authorized individual representing the governing body. The commitment letter must document the fiscal ability of the applicant to maintain the necessary cash flow for the duration of the grant term, recognizing that a part of the grant funds awarded is through reimbursement after expenditures are incurred.

Marketing Profile / Recycling and Reuse Profile

Applicants will be required to submit information to demonstrate existing and new market opportunities to utilize scrap tires in the proposed project. In the case of new product development or new field uses, this information should include the projected size and growth rate for the recycled waste tire product should the product be moved to the end market or a new reuse. It should also include a statement about industry-wide trends, demonstrating that the applicant has researched local market conditions.

For a business applicant, this could be a copy of the company's marketing strategy from the company's business plan. It is strongly recommended that the company have a current marketing plan in place before requesting funds.

For a local unit of government, school, or non-profit, this documentation can be a recycling or reuse profile, demonstrating industry-wide trends, local market conditions, and projected size / growth rate for the use of recycled waste tires in the recycling or reuse project.

For civil and recreational reuse applications (regardless of applicant type), the application should note current and future reuse opportunities, demonstrating the types and scale of projects that might benefit from transferable information made available through this grant funded project.

Environmental Goals

Products that use the greatest number of Indiana scrap tires will be preferred. IDEM will also show consideration to new product use, or if it is a demonstration use of a recycled product in Indiana. Companies that demonstrate the greatest community impact through the promotion of the recycled scrap tire product will be preferred.

Environmental Compliance

All applicants must comply with applicable federal, state and local safety regulations and environmental laws. Copies of the cover sheet of all applicable permits must be provided along with a description of any new permits required for the duration of any modification to complete product fabrication and testing. A history of environmental compliance violations or any current open enforcement cases may result in the rejection of an application.

For all projects involving the beneficial reuse of scrap tires or crumb rubber, an applicant must demonstrate that such application does not pose a threat to public health or the environment. Some uses of tires are safe and effective under certain conditions. IDEM approval of beneficial reuse is necessary to ensure that the conditions are present for the use to be safe and effective. Solid Waste Management Regulation 329 IAC 10-3-1 (13) allows for legitimate uses of waste materials if approval is first obtained through IDEM.

For all approved grant funded projects, pre-approval of the beneficial reuse application must be granted through IDEM's Office of Land Quality prior to start-up of the grant awarded project. By completing the application questions in full, the beneficial reuse application will be initiated. Completion of IDEM's evaluation of beneficial reuse may affect announced award timelines and the release of a state contract.

A copy of the beneficial reuse guidelines is available by request through C. Steven Poe at (317) 233-9341. This guidance has been prepared by IDEM's Office of Land Quality (OLQ) regarding Indiana's Solid and Hazardous Waste rules. Although every attempt has been made to reference other applicable regulations, this guidance may not completely address requirements under other IDEM programs or any other federal, state or local regulations.

For projects that create a waste flow for final disposal, the applicant must demonstrate proper and safe disposal of the waste, and limit waste volumes to a reasonable minimum level. IDEM does not fund disposal costs or any equipment involved in the disposal of material to a final disposal facility. Incineration, waste-to-energy, and landfilling are defined by Indiana statute as final disposal.

IDEM requires registration of waste tire storage sites, processing operations, and tire transporters through the Office of Land Quality. These requirements are found in the Waste Tire Management rule (329 IAC 15) and displayed on the IDEM website at: www.IN.gov/ideM/land/permits/forms/index. Any grant funded projects that involve tire storage, processing, or transportation must be in full compliance of the Waste Tire Management rule during the entire grant period.

Application Process

Interested applicants should contact the Office of Pollution Prevention and Technical Assistance to obtain application materials. A fully completed application must include the following:

- An IDEM supplied application Cover Page, fully completed and signed by the appropriate agent of the applicant.
- A completed proposed project budget page.
- Answers to the questions presented in the scrap tire recycling application packet.
- Information necessary for IDEM to make a determination regarding the applicants request for beneficial reuse, as evaluated through the Office of Land Quality.
- Demonstration of the percentage of scrap tires utilized in the project are sourced from within Indiana.
- Demonstration of cash match for the proposed project.
- Demonstration that the scrap tire material utilized through this project meets or exceeds ASTM standards, if such standards exist for the given proposed reuse or recycling activity.

Review and Evaluation Process

Once the original application has been filed, a review team will evaluate and score each application to determine which projects are fundable in the current funding cycle. The review team will include representatives from the IDEM Office of Land Quality, the Commerce Energy Policy Division, and the Office of Pollution Prevention and Technical Assistance. Additional representatives may be invited on the review committee depending on the expertise needed for a complete evaluation of the proposed projects. Applications will be evaluated on the following criteria:

- Potential number of scrap tires used by the company in production of the product.
- Projected annual sales of recycled tire product.
- Development of a new market for scrap tires in Indiana.
- The fiscal feasibility of the project.
- Demonstration of existing demand for product.
- Overall quality and adequacy of the application.

Applicants will be notified of the approval or denial of the grant award of their applications within 90 days of the application deadline. Once approved, a grant agreement must be created and then signed by both the grantee and the appropriate state officials. The state signature process can take six to eight weeks.

Grant Follow-up Information

Once a grantee receives notification of a grant award, the following activities will take place;

- A grant agreement will be created and sent to the grantee for signature.
- The grantee will be requested to supply a signed W-9 form.
- The agreement will be forwarded through the state signature process.
- Once the agreement is fully executed (i.e., signed by the last state signatory), the applicant may begin work and, when complete, request payment.
- Progress reports as required in the state contract must be submitted by the grantee in a timely manner.

Confidential Information

To the extent feasible and permissible by law, IDEM will honor an applicant's request that confidential information submitted to IDEM remain confidential. IDEM will treat information as confidential only if: (i) the information is in fact protected confidential information such as trade secrets or privileged or confidential commercial or financial information, (ii) the information is specifically marked or identified as confidential by the applicant, (iii) the information is segregated and placed in a separate appendix to the application, and (iv) no disclosure of the information is required by law or judicial order. If the application results in a grant, the honoring of confidentiality of identified data shall not limit IDEM's right to disclose the details and results of the project to the public.

How to Apply For Recycled Scrap Tire Grant Funds

- Obtain a copy of the grant application and grant guidelines from our program contact, C. Steven Poe at: 317-233-9341 or 800-988-7901, or obtain copies at our website: www.in.gov/idem/oppta/recycling/index
- Read in full the Recycled Scrap Tire Grant Guidelines and complete the Indiana Recycled Scrap Tire Grant Program Application.
- The State may request additional information to help evaluate the application.
- Submit your completed application to:

C. Steven Poe
IDEM / OPPTA
150 West Market Street, Suite 703
Indianapolis, IN 46204

Application Deadline: Must be received at IDEM/OPPTA by 5:00 pm EST April 5, 2002
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Indiana Code 13-20-13-9

Sec. 9. (a) The department may use money in the fund to assist the department in:

- (1) removing waste tires from sites where waste tires have been disposed of improperly;
- (2) properly managing waste tires;
- (3) performing surveillance and enforcement activities used to implement proper waste tire management; and
- (4) conducting the waste tire education program under section 15 of this chapter.

(b) The department of commerce may use money in the fund to provide grants and loans to persons to establish and operate programs involving the following:

- (1) Recycling or reuse of waste tires.
- (2) Using waste tires as a source of fuel.
- (3) Developing markets for waste tires and products containing recycled or reused waste tires.

(c) The department of commerce may adopt rules under IC 4-22-2 necessary to implement this section.

As added by P.L.1-1996, SEC.10.